

City Council

Special Meeting Minutes

**March 14, 2017
City Hall, Council Chambers
749 Main Street
7:00 PM**

Call to Order – Mayor Muckle called the meeting to order at 7:00 p.m.

Roll Call was taken and the following members were present:

City Council: ***Mayor Robert Muckle***
 Mayor Pro Tem Jeff Lipton
 Councilmember Jay Keany
 Councilmember Chris Leh
 Councilmember Susan Loo
 Councilmember Dennis Maloney
 Councilmember Ashley Stolzmann

Staff Present: ***Malcolm Fleming, City Manager***
 Heather Balser, Deputy City Manager
 Ember Brignull, Open Space Manager
 Joe Stevens, Director of Parks & Recreation
 Kathleen Hix, Director of Human Resources
 Meredyth Muth, City Clerk

Open Space Advisory
Board Members: ***Laura Scott Denton***
 Jim Gibb
 Helen Moshak
 Graeme Patterson
 Mike Schantz

CALL TO ORDER

Mayor Muckle called the meeting to order at 7:03.

DISCUSSION/DIRECTION – OPEN SPACE PROPERTY ACQUISITION PRIORITIES

Helen Moshak, chair of OSAB reported that each year the Open Space Advisory Board (OSAB) ranks properties in Louisville to evaluate possible purchases for open space

property. In general, the OSAB board encourages the City to make the acquisition of open space a priority. OSAB spends a great deal of time formulating the list and evaluating the properties each year. While the board advocates for open space purchases it also understands that the Council has to evaluate purchases with other information and goals in mind.

Mayor Pro Tem Lipton, liaison to OSAB, noted the members of the board have spent a lot of time reviewing both the properties on the list and the criteria they use to evaluate properties. He noted the OSAB information sets the foundation for the Council to make policy decisions related to open space. He agreed OSAB's mission is just to support open space, while the City Council has to evaluate any number of issues in relation to open space. He hopes this conversation will bring the City Council and the board to a better understanding of each other's views and concerns when looking at the property list.

Mayor Muckle noted this is a good foundation for the policy decisions the City Council needs to make. He wants the list to serve as a guide listing the priority parcels the city wants rather than just to list every property that is out there. This list gives the Council an active game plan to follow.

Councilmember Stolzmann noted this list is a way to have a good discussion of what the goals should be. She noted that in the past all possible properties were on the list but now it really is a list of what we want to purchase, why, and what options other than outright purchase might be available.

Director Stevens noted that OSAB looks at parcels both for complete purchase and for possibly targeting portions or sections of properties, trails options, easements, etc. through the land use process when a property develops.

Ms. Moshak noted this list has been around for years and each OSAB inherits it from the previous board so it has developed over many years.

Laura Scott Denton noted the list isn't necessarily everything OSAB wants to buy, but rather a ranking of properties to know how to rank one property against another so there is more information should a property become available for purchase.

Councilmember Keany noted he understands OSAB has different priorities from the City Council and noted that when he has to review a possible purchase he has to consider many other things such as finances.

Mike Schantz stated the board understands there is a fiscal reality; the list simply notes those properties with high value as open space. The question for him is: how do we maintain open space to serve people as the community grows. He would like to make sure the value of open space is understood and incorporated into the land use process.

Councilmember Loo noted her concern that the proposed map does not have enough information and can be misleading and scare some property owners and that can have unintended consequences. She is concerned people see the map but not the accompanying detailed information to truly understand it.

Mayor Muckle stated it is the job of the Council to make sure the public understands the map and knows the City is not intending to take or condemn property based on this map.

Councilmember Loo stated she thinks this is the first time commercially zoned properties have been listed on the map as first tier priorities and that has been concerning to business owners.

The Council reviewed the proposed acquisition map. Ms. Moshak noted the information the board based the map on is only open space benefit; they did not look at other information such as zoning or current ownership.

Councilmember Stolzmann stated she would like the City to be more proactive in the acquisition of open space in general; through purchase or some other option.

Councilmember Leh asked the board to review what they want on the Phillips66 property as clearly the City can't afford an outright purchase.

Ms. Moshak agreed that in lieu of purchasing the property the board would like a large parcel or lease option whereby the City gets a large portion for open space during the development process.

Mayor Pro Tem Lipton noted that in the future the community will rely on this parcel for revenue so it is not likely we can leave the entire parcel as open space. However, if the City could get something better than the ring around the property that Conoco would agree to that would be beneficial. The property is privately owned with entitlements and he is reluctant to let the public think a purchase is even viable.

Mayor Muckle stated he would like to see the map drawn to show what is most realistic and note on the map that some of the acquisitions listed may not be total purchases, but rather partial purchases or dedications through the land use process.

Councilmember Loo noted that commercial property pays 3.5 times the property tax that residential property pays and to buy commercial property as open space it is taken off the City's tax rolls. She is worried the map will raise the expectations of residents that the City can purchase all of these properties when the City will never have enough money to purchase even the Phillips66 property.

Councilmembers noted that some of the properties on the map are located in Boulder County and have already reached their maximum development capacity (such as one

house) under the county regulations. It may be safe to leave those alone as those owners can't request any additional development and the properties are basically preserved as is.

Ms. Moshak noted if the board could better understand the Council's criteria when evaluating properties for acquisition it would help the board in making recommendations. She appreciated hearing about the issue of zoning and entitlements when looking at parcels. She stated better identifying the criteria for a parcel to be on the list would be helpful.

Mayor Muckle suggested creating a different way to identify the commercial properties on the map and note more clearly what the City wants on such a property. He would also like the map to include action items for each property: easement, trail connection, fee simple purchase, etc.

Councilmember Loo would rather remove all commercial properties from the map and put them on a separate map or have a different title on the map. She stated she doesn't want to send the wrong message to property owners with this map. Councilmember Maloney would like a comprehensive map with all properties but with the properties clearly differentiated in some way.

Councilmember Stolzmann noted some properties not listed on the map she would like to be considered for open space.

Mayor Pro Tem Lipton noted Lafayette should be willing to work with us regarding the buffer properties that benefit both communities.

Mr. Schantz noted OSAB would be happy to evaluate the properties Councilmember Stolzmann suggested and that the board would be happy to determine better how their identification process fits in with the general planning processes of the City.

Council will bring this item back for more detailed conversation at a later date.

DISCUSSION/DIRECTION – LIVABLE WAGE OVERVIEW AND OPTIONS

Director Hix stated the City Council asked staff to compile information about the Livable Wage movement and analyze potential options that could complement and enhance the City's existing pay and compensation practices and philosophy. To address this request, staff consulted with other cities that have implemented various aspects of a Livable Wage, and based on those discussions have compiled the attached background information and options for Council consideration, including information regarding the pros and cons of each option, policy considerations, cost estimates, and recommendations for implementing each option.

Mayor Pro Tem Lipton asked what the compression issues might be. Director Hix stated that if some employees' salaries are raised, other staff positions may feel they too should be making more or getting a raise.

Director Hix went through each option listed in the Council packet.

Councilmember Leh asked to start with Option 6 as that is if we don't make any changes.

Option 6: Continue with existing annual salary survey process, Pay Philosophy, and benefit eligibility rules thus making no changes. Based on review of the past 10 years, cost estimates for market increases for 2018 were factored into the budget and were estimated at \$133,000 with an additional 4% increase factored in for performance/merit increases for full time employees at an estimated cost of \$596,570. A 4% increase was factored in for the part-time/variable hour employees in 2018 as well at an estimated cost of approximately \$50,000 for an estimated grand total of \$779,570 annually in 2018 and subsequent years.

Option 1: Bring all Non-benefitted/Variable hours employees (less than 30 hours), excluding seasonal employees and summer interns, up to at least \$15.67 per hour. Preliminary cost estimate is an additional \$162,613 in wages, and an additional \$12,440 for FICA, and an estimated grand total of \$175,053 annually in 2018 and subsequent years.

Option 2: Bring City of Louisville Full Time Employees and Benefitted Part-Time Employees (30 - 40 hours per week) up at least the \$15.67 hourly wage. The cost estimate to increase the five (5) employees to the livable wage of \$15.67 per hour is \$18,198 in wages, \$1,392 in FICA, for an estimated grand total of \$19,590 annually in 2018 and subsequent years. She noted this affects the Golf Fund which is an enterprise fund.

Option 3: Use Colorado Self-Sufficiency Standard (SSS) as the wage standard for ALL City of Louisville positions in order to maintain wage fairness and avoid wage compression issues. The cost estimate for this option would add an additional \$2,485,808 to the regular salaries budget and an additional \$726,369 to the part-time/variable (non-benefitted) salaries budget for a total of an additional \$3,212,177 in salaries, and additional \$245,731 for FICA for an estimated grand total of \$3,457,908 annually in 2018 and subsequent years.

Option 4: Add City of Boulder and Boulder County (who also recently implemented the SSS wage standard) to our labor market cities as part of the annual salary survey and salary projections. The cost estimate for this option is as follows:

- An additional \$313,914 for FT employees
- An additional \$23,594 for PT/Variable hour employees
- An additional \$12,789 for Seasonal employees

- Totaling \$350,297 and an additional \$26,797 for FICA for an estimated grand total of \$377,094 annually in 2018 and subsequent years.

Councilmember Loo asked if we change the list of cities in the salary survey how much does it affect the numbers. Director Hix stated it would affect the numbers and it would depend on who we added to the mix.

Councilmember Leh noted where we get our employees geographically. He asked if we lose employees to Boulder? Director Hix stated we lose some but not a lot. We also lose to Westminster as they have a four day per week schedule. Leh asked if we add these two cities will it raise the numbers. Director Hix stated it will raise them incrementally.

Councilmember Stolzmann would prefer to use a pay philosophy rather than using these options which feel like artificial manipulations. Director Hix noted adding cities in Boulder County to the mix is one way to compete with the other cities in Boulder County.

Deputy Manager Balser noted staff is trying to understand what compensation philosophy Council wants staff to implement and what Council's goals are for this issue. Is it a livable wage, addressing low wage employees, benefits, etc.

Option 5: Change benefit eligibility (health, dental, vision, 401K, PLB, EIB, etc.) for employees who work greater than 20 hours per week, on a regular basis, and continue to use current Pay Philosophy and Labor Market cities for annual salary survey and salary projections. Cost estimates are unavailable at this time for this option as it would require renegotiating contracts with the following health care providers: Kaiser, Delta Dental, VSP, Lincoln Financial, and ICMA. Health, dental and vision providers would need specific numbers of employees and "census" data on those employees in order to provide a cost for these services. ICMA and Lincoln Financial (life insurance) costs would depend on the wage of employees and at this time, specific details are unavailable.

Deputy Manager Balser noted the \$15.67 or Self Sufficiency Standard/"living wage" is a 2015 number from Boulder' study. It may need to be reevaluated.

Mayor Pro Tem Lipton stated his goal is make sure we pay full-time employees a living wage. If people want to work part-time that is their choice, His concern is for those full-time employees who need a living wage. He likes option 2 which would bring the full-timers to \$15.67. He stated for the benefit part he thinks there might be some ways to give some benefits for part-time staff, perhaps at a prorated cost. He would like to see more exploration for benefits for part-time employees.

Councilmember Maloney stated he likes a blend of Option 2 and Option 5 and lowering the hours per week to qualify for benefits.

Councilmember Stolzmann stated the employees in option 1 probably are disproportionately women and that should be considered. She is less concerned about compression as a whole than the lowest paid employees. We should consider some of these part-time wages in this category. Even small wage increases would be helpful to people in this category.

Councilmember Loo stated if do option 1 should also do option 2. Councilmember Stolzmann agreed.

Councilmember Leh noted he prefers to talk about the “compensation philosophy” and we should think broadly about all the benefits we give. He agrees with Mayor Pro Tem Lipton we should look at benefits for more people along with bringing up the pay of some of the lower paid employees.

Councilmember Keany wondered if we could offer a more flexible schedule and still have benefits which would attract some employees. He would like to reevaluate the cities with which we compare for the salary survey. He stated we should evaluate our salaries with adjacent communities and those to which we are losing employees regularly. He likes option 2 and also raising some of the lower wage positions.

Councilmember Loo stated whatever option we chose, it should be based on equal pay for equal work regardless of if the person is supporting a family or not.

Councilmember Stolzmann stated the focus should be on raising the pay of the lowest paid employees.

Mayor Muckle asked if we could do Option 1 but make the raise to \$12/hour and do option 2 as proposed. He is also interested in perhaps changing the cities in the salary survey and how can we offer people access to the health care perhaps without a City subsidy. The benefit of having access to buying group health care can be significant (a modified combination of 1, 2, 4 and 5).

Members would like to see the costs for the Mayor’s suggestion and continue to study some options for additional benefits. Any changes will be considered for 2018 through the annual budget approval process.

DISCUSSION/DIRECTION – CITY COUNCIL SALARY SURVEY

Director Hix noted the Council does make significantly less than most comparable municipalities. The staff suggestion is to increase salaries for the Mayor to \$1134/month and Council salary to \$830/month. Currently council is only eligible for benefits at 100% cost; that can be changed as well. Any raise would only take effect for new councilmembers.

Councilmember Loo proposed either doubling the current pay or using staff's recommendation.

Mayor Muckle recommended it take effect in 2019 as it would benefit all Councilmembers at the same time.

Councilmember Leh stated a larger salary might encourage some more people to run for Council. He noted reconsidering requiring full payment for benefits might be more important for some people than the salary number and is worth considering.

Mayor Pro Tem Lipton stated the current pay is exclusionary and doesn't give us diversity on Council. Someone might need some income just to offset cost for items such as daycare to attend meetings. Without it you get retired people, those who don't have to work, or those with scalable jobs. We should pay enough to encourage people to run for office. He doesn't support putting the raise off until 2019. He would like Louisville to be somewhere around the median pay on the list. Just increasing the benefits doesn't give enough advantage.

Members directed staff to bring back an ordinance using staff's suggested numbers in Option 2, \$800/month for Council and \$1200/month for the mayor, to take effect for new members in November of 2017; and the option to use the 457 plan for retirement savings.

CITY MANAGER'S REPORT AND ADVANCED AGENDA

City Manager Fleming updated on his meeting with the Coyote Run neighbors. They told him they are concerned about the slide area for safety and how it affects their property values. Staff agreed to explore the cost of updating the survey of the slide and more geotechnical analysis. This will come to Council for consideration.

ADJOURN

Members adjourned the meeting at 10:04 pm.

Robert P. Muckle, Mayor

Meredyth Muth, City Clerk